

MOTOR VEHICLE SALES FINANCE ACT

LICENSE APPLICATION  
PROCEDURES  
(For FIS 1028)

The Commissioner of the Office of Financial and Insurance Services has determined that this application is available for public inspection or copying pursuant to the provisions of the Freedom of Information Act, PA 442 of 1976, MCL 15.231 *et seq*; MSA 4.1801(1) *et seq*, and section 2109 of the Michigan Banking Code of 1999, as amended, MCL 487.12109; MSA 23.710(12109). Accordingly, except as otherwise indicated in this application, the contents of the application shall be disclosed to any person who properly requests an opportunity for inspection, examination, or copying.

## **I. GENERAL INSTRUCTIONS**

- A. The application for a license must be made in writing (printed in ink or typed) to the Commissioner of the Office of Financial and Insurance Services on the attached forms. If after investigation the Commissioner determines that the experience, character, business reputation, and general fitness of the applicant and its officers, directors, shareholders, partners, and affiliates command the confidence of the public and warrant belief that the applicant and its officers, directors, shareholders, partners, and affiliates will comply with the law, and that grounds for revoking, suspending, or denying a license pursuant to the act do not exist, the Commissioner will issue the license.
- B. The Office will not accept an incomplete application. Complete responses to all questions will expedite the processing of the application. Do not leave any question blank - Enter "N/A" or "None" if not applicable.
- C. The application must be filed with original signatures where applicable.
- D. The applicant may provide additional information in support of this application as deemed appropriate.

## **II. STATUS OF APPLICANT**

The applicant must be identified as one of the following: an individual doing business under their own name, an individual doing business under an assumed name or trade name, a co-partnership, an association, a corporation, a limited partnership, or a limited liability company.

## **III. ACCOMPANYING DOCUMENTS**

- A. If the applicant is an individual doing business under an assumed name, the application must be accompanied by a certificate executed by the county clerk verifying compliance with the provisions of Act No. 151, Public Acts of 1949, as amended.
- B. If the applicant is a corporation, the application must be accompanied by a certified copy of a Board of Directors Resolution (page 3a of the application); an Affidavit of Official Signing of Application (page 4a of the application) and a Power of Attorney (page 5 of the application). If the applicant also operates under an assumed name status, the application must be accompanied by a certificate executed by the Corporation and Land Development Bureau indicating compliance with the provisions of section 217 of Act No. 247, Public Acts of 1972, as amended.

- C. If the applicant is a partnership, the application must be accompanied by a certificate executed by the county clerk indicating compliance with the provisions of section 217 of Act No. 247, Public Acts of 1972, as amended and an Affidavit of Official Signing of Application (page 4b of the application).
- D. If the applicant is limited liability company, the application must be accompanied by a certified copy of a Certificate of Resolution (page 3b of the application); an Affidavit of Official Signing of Application (page 4c of the application); and a Power of Attorney (page 5 of the application).

#### **IV. BOND REQUIREMENTS – For Sales Finance Company License Only**

- A. Non-Depository Sales Finance Company and/or Out-of-State Depository Institutions
  - 1. Main Office - \$20,000
  - 2. Branch Office - \$10,000 each
- B. Depository Institution
  - 1. Main Office - \$20,000
  - 2. Branch Office - \$10,000 each
- C. Licensees under the Mortgage Brokers, Lenders, and Servicers Licensing Act, the Secondary Mortgage Loan Act, or the Regulatory Loan Act are required to provide a bond in the amount of \$5,000 for each location licensed to transact business as a Sales Finance Company.

#### **V. CONTRACT REQUIREMENTS**

- A. Installment Seller
  - 1. Please send a sample for each Sales Finance Company contract(s) you will be using.
  - 2. If you plan on doing “buy here, pay here,” approved contracts are available from Compliance Systems, Inc., Grand Rapids, Michigan (1-800-968-8522).

- B. Sales Finance Company

Please send a sample of the contract(s) you will be furnishing to the automobile dealers for the financing of passenger vehicles and/or motor homes through your financial institution.

#### **VI. FINANCIAL STATEMENT – For Non-Depository Sales Finance Company Applicants Only**

- A. For applicants who are non-depository financial institutions, please include a financial statement.

#### **VII. FEES – Non-refundable Annual License Fee**

- A. Installment Seller - \$30.00

This fee is non-refundable and is required from all applicants making an initial application for a license. It is also required at the time of making a first application for a license after the suspension or revocation of a license.

B. Sales Finance Company

1. Non-Depository
  - a.) Main Office - \$150.00
  - b.) Branch Office - \$75.00 each
2. Depository
  - a.) Main Office - \$35.00
  - b.) Branch Office - \$35.00 each

C. Mail your check, payable to the State of Michigan, and the complete application to:

**DIVISION OF FINANCIAL INSTITUTIONS  
ATTN: LICENSING AND ENFORCEMENT  
P. O. BOX 30224  
LANSING, MI 48909**

Questions pertaining to the completion of this license application may be directed to the Division's Licensing and Enforcement at (517) 373-3460.

# Installment Seller or Sales Finance Company License Application

Check the appropriate box:

☐ Sales Finance Company

☐ Installment Seller

Please read and refer to the accompanying instructions before completing this application.

Name (Corporation, Partnership, Sole Proprietorship, or Individual). Include DBA name(s), if applicable.		
Street Address		
City	State	Zip Code
County	Township (if applicable)	Telephone No. (      )
Facsimile No. (      )	Dealer License Number	
Other place of business in the same city conducted under the name above, with all records being maintained at the above address (Installment Sellers ONLY).		

## STATUS OF APPLICANT: (Check appropriate box)

☐ An individual doing business  
under own name

☐ A limited partnership

☐ A limited liability company

☐ An individual doing business  
under an assumed/trade name

☐ A general partnership

☐ An association

☐ A corporation  
Michigan corporate I.D. # \_\_\_\_\_

Date of Incorporation  
\_\_\_\_\_

☐ Other  
(describe) \_\_\_\_\_

## FOR OFFICE USE ONLY

Date Approved			Date License Issued	
Approved By			License Number	

List the names of all owners, partners, officers, directors, shareholders and affiliates of the firm, co-partnership or association. "Officers" means chief executive and/or operating officer, president, executive or senior vice president, secretary and treasurer.

Name and Title	Residence Address (Street, City, State, Zip Code)

	YES	NO
Has any member of your organization ever been convicted of a crime? If yes, please attach a separate sheet stating the facts of the conviction(s), including date(s).		

Authorized Signature	Date
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STATE OF (\_\_\_\_\_)

SS

COUNTY OF (\_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, a Notary Public in and for said County personally appeared \_\_\_\_\_ \*

known to me to be said person named in and who executed the foregoing application and made oath that the statements and representations set forth herein are true to the best of his/her knowledge and belief.

(NOTARY SEAL)

Notary Public \_\_\_\_\_

My Commission Expires \_\_\_\_\_

\* Type or print name of person appearing before notary.

# Certificate of Resolution

## CORPORATE BOARD OF DIRECTORS

(For corporate applicants only)

*Resolution MUST be completed in applicant's full name, including DBA name(s), if applicable.*

This is to certify that at a \_\_\_\_\_ meeting of the Board of Directors of \_\_\_\_\_  
Regular or Special  
 \_\_\_\_\_, a corporation organized under the laws of the State  
Applicant Name  
 of \_\_\_\_\_, and doing business in the \_\_\_\_\_ of  
City, Village, or Twp.  
 \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_  
 held at the office of said corporation on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the  
 following resolution was duly and legally presented and adopted by majority vote of the Board, to wit:

It being the desire and purpose of the Board of Directors of \_\_\_\_\_  
Applicant Name  
 a corporation doing business in the \_\_\_\_\_ of \_\_\_\_\_,  
City, Village, or Twp.  
 that this corporation should take steps to engage in the business of a/an \_\_\_\_\_,  
Installment Seller or Sales Finance Company  
 under the provisions of Act No. 27 of the Public Acts of 1950, Extra Session, as amended.

BE IT RESOLVED, that \_\_\_\_\_ as \_\_\_\_\_  
Name Title  
 of this corporation, and in his / her official capacity is hereby authorized and directed to prepare, execute,  
 verify, and present to the proper state authorities of the State of Michigan, and for and on behalf of said  
 \_\_\_\_\_, written application for license under the provisions  
Applicant Name  
 of Act No. 27 of the Public Acts of 1950, Extra Session, as amended, authorizing the conducting of said  
 business of a/an \_\_\_\_\_ by this corporation at \_\_\_\_\_  
Installment Seller or Sales Finance Company  
 \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_  
Street Address City, Village, or Twp.  
 County of \_\_\_\_\_, State of \_\_\_\_\_ and to do all acts and perform  
 all necessary legal requirements on behalf of said corporation to procure the same.

Authorized Signature

Title

Date

# Certificate of Resolution

(For limited liability company applicants only)

*Resolution MUST be completed in applicant's full name, including DBA name(s), if applicable.*

This is to certify that at a \_\_\_\_\_ meeting of the Members of \_\_\_\_\_  
Regular or Special  
 \_\_\_\_\_, a limited liability company organized under the  
Applicant Name  
 laws of the State of \_\_\_\_\_, and doing business in the \_\_\_\_\_ of  
City, Village, or Twp.  
 \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_, held at the office  
 of said limited liability company on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the  
 following resolution was duly and legally presented and adopted by majority vote of the Members, to wit:

It being the desire and purpose of the Members of \_\_\_\_\_  
Applicant Name  
 that this limited liability company doing business in the \_\_\_\_\_ of \_\_\_\_\_  
City, Village, or Twp.  
 that this limited liability company should take steps to engage in the business of a/an \_\_\_\_\_  
Installment Seller  
 \_\_\_\_\_ under the provisions of Act No. 27 of the Public Acts of  
or Sales Finance Company  
 1950, Extra Session, as amended.

BE IT RESOLVED, that \_\_\_\_\_ as \_\_\_\_\_  
Name Title  
 of this limited liability company, and in his / her official capacity is hereby authorized and directed to  
 prepare, execute, verify, and present to the proper state authorities of the State of Michigan, and for and on  
 behalf of said \_\_\_\_\_, a limited liability  
Applicant Name  
 company, written application for license under the provisions of Act No. 27 of the Public Acts of 1950,  
 Extra Session, as amended, authorizing the conducting of said business of a/an \_\_\_\_\_  
Installment Seller  
 \_\_\_\_\_ by this limited liability company at \_\_\_\_\_  
or Sales Finance Company Street Address  
 in the \_\_\_\_\_ of \_\_\_\_\_ County of \_\_\_\_\_ State of  
City, Village, or Twp.  
 \_\_\_\_\_, and to do all acts and perform all necessary legal requirements on  
 behalf of said limited liability company to procure the same.

Authorized Signature

Title

Date



# Affidavit

## Official Signing of Application (For corporate applicants only)

I, \_\_\_\_\_ of  
Name and Title of Official

\_\_\_\_\_  
Applicant Name

a corporation organized in the State of \_\_\_\_\_, do hereby declare that I am duly authorized to file the foregoing application and that the statements and representations set forth therein are true to the best of my knowledge and belief.

Authorized Signature

Title

STATE OF (\_\_\_\_\_)

SS

COUNTY OF (\_\_\_\_\_)

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

Notary Public

My Commission Expires

# Affidavit

## Official Signing of Application (For partnership applicants only)

I, \_\_\_\_\_ being duly sworn, deposes and says that  
Name

he/she is one of the partners of the firm of \_\_\_\_\_  
Applicant Name

doing business in the \_\_\_\_\_ of \_\_\_\_\_, State of  
City, Village, or Twp.

Michigan, and is legally authorized by said partnership to subscribe to and to verify the attached application for license under the provisions of Act No. 27, Public Acts of 1950, Extra Session, as amended, for and on behalf of said partnership; has read said application and knows the contents thereof, and that the same is true of his / her own knowledge except as to those matters therein stated to be on information and belief, and so to those matters he/she believes it to be true.

Authorized Signature	Title
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STATE OF (\_\_\_\_\_)

SS

COUNTY OF (\_\_\_\_\_)

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public\_\_\_\_\_  
My Commission Expires

# Affidavit

## Official Signing of Application (For limited liability company applicants only)

I, \_\_\_\_\_ of  
Name and Title of Official

\_\_\_\_\_  
Applicant Name

a limited liability company organized in the State of \_\_\_\_\_, do hereby declare  
that I am duly authorized to file the foregoing application and that the statements and representations set  
forth therein are true to the best of my knowledge and belief.

Authorized Signature	Title

STATE OF (\_\_\_\_\_)

SS

COUNTY OF (\_\_\_\_\_)

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of  
\_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

Notary Public  
\_\_\_\_\_

My Commission Expires  
\_\_\_\_\_

# Power of Attorney

KNOW ALL PERSONS BY THESE PRESENT, THAT \_\_\_\_\_  
Name of Applicant

organized under the laws of \_\_\_\_\_ and engaged in business in the State of Michigan under the provisions of Act No. 27, Public Acts of 1950, Extra Session, as amended, constituted and appointed and by these presents, does make, constitute, and appoint \_\_\_\_\_  
Full Name, Street, City, State, Zip Code (Must be a resident of Michigan)

\_\_\_\_\_ its true and lawful ATTORNEY and AUTHORIZED AGENT, for it and in its name, place, and stead, upon whom all lawful process in any proceedings against it may be served and agrees that service of process on its attorney or authorized agent herein named shall be of the same legal force and validity as if served upon it, the said corporation/limited liability company, and the authority for such service and process shall continue in force as long as any liability remains outstanding against it in the State of Michigan.

In case of death, removal from the State of Michigan or any legal disability or disqualification of its attorney or authorized agent herein named, the said corporation/limited liability company does hereby appoint the Commissioner, Office of Financial and Insurance Services of the State of Michigan, and any successor in the office, to be its true and lawful attorney and authorized agent upon whom all lawful process in any proceeding against may be served and agrees that service of process upon the Commissioner, Office of Financial and Insurance Services shall be of the same legal force and validity as if served upon it, the said corporation/limited liability company, and the authority for such service and process shall continue in force as long as any liability remains outstanding against it in the State of Michigan.

IN WITNESS THEREOF the said corporation/limited liability company has caused these presents to be executed by its authorized office, this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Authorized Signature

Title

STATE OF (\_\_\_\_\_)

SS

COUNTY OF (\_\_\_\_\_)

Subscribed and sworn to before me, a Notary Public in and for said County, on this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_.

(NOTARY SEAL)

Notary Public

My Commission Expires

# BOND

## DEPOSITORY FINANCIAL INSTITUTION – SALES FINANCE COMPANY

KNOW ALL PERSONS BY THESE PRESENTS, THAT \_\_\_\_\_  
Name of Institution  
 \_\_\_\_\_ of \_\_\_\_\_,  
City, Village, or Twp.

State of \_\_\_\_\_ as PRINCIPAL is held firmly bound unto the People of the State of Michigan, for the use of said State and of any person or persons who may have a cause of action against the above principal under the provisions of Act No. 27, Public Acts of 1950, Extra Session, as amended, in the sum of \_\_\_\_\_ (\$20,000 – Main Office and/or \$10,000 – Branch), lawful money of the United States, to be paid to the said People of the State of Michigan, or its assigns, for payment to be well and truly made, we bind ourselves, our heirs, executors, administrators, successors, and legal representatives, jointly and severally, firmly by these presents.

Sealed with our seals, and dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Whereas, the above bounden principal has received, or is about to receive, a license from the Commissioner, Office of Financial and Insurance Services of said State of Michigan authorizing it to engage in the business of a Sales Finance Company under the provisions of Act No. 27, Public Acts of 1950, Extra Session, as amended.

Now, THEREFORE, the condition of this obligation is such, that if the said principal will conform to and comply with each and every provision of Act No. 27, Public Acts of 1950, Extra Session, as amended, and all rules and regulations lawfully promulgated thereunder by the Commissioner, Office of Financial and Insurance Services of the State of Michigan, and will pay to said State and to such person or persons, any and all monies that may become due or owing to said State and to such person or persons from the obligor, principal, and by virtue of the provisions of said Act No. 27, Public Acts of 1950, Extra Session, as amended, then this obligation shall be void, otherwise it is to remain in full force and effect.

\_\_\_\_\_  
Name of Institution (L.S.)

\_\_\_\_\_  
President/Vice President (L.S.)

\_\_\_\_\_  
Cashier/Assistant Cashier (L.S.)

Bond No. \_\_\_\_\_

# BOND

## NON-DEPOSITORY SALES FINANCE COMPANY AND/OR OUT-OF-STATE DEPOSITORY INSTITUTIONS

KNOW ALL PERSONS BY THESE PRESENTS, THAT \_\_\_\_\_  
 of \_\_\_\_\_, State of \_\_\_\_\_  
 \_\_\_\_\_ as PRINCIPAL and \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ as SURETY are held firmly bound unto the People of the  
 State of Michigan, for the use of said State and of any person or persons who may have a cause of action against the above principal  
 under the provisions of Act No. 27, Public Acts of 1950, Extra Session, as amended, in the sum of \_\_\_\_\_  
 (\$20,000 – Main Office and/or \$10,000 – Branch), lawful money of the United States, to be paid to the said People of the State of  
 Michigan, or its assigns, for payment to be well and truly made, we bind ourselves, our heirs, executors, administrators, successors,  
 and legal representatives, jointly and severally, firmly by these presents.

Sealed with our seals, and dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Whereas, the above bounden principal has received, or is about to receive, a license from the Commissioner, Office of  
 Financial and Insurance Services of said State of Michigan authorizing \_\_\_\_\_  
 \_\_\_\_\_ to engage in the business of a Sales Finance Company under the provisions of Act No. 27, Public  
 Acts of 1950, Extra Session, as amended.

Now, THEREFORE, the condition of this obligation is such, that if the said principal will conform to and comply with each and every  
 provision of Act No. 27, Public Acts of 1950, Extra Session, as amended, and all rules and regulations lawfully promulgated thereunder  
 by the Commissioner, Office of Financial and Insurance Services of the State of Michigan, and will pay to said State and to such  
 person or persons, any and all monies that may become due or owing to said State and to such person or persons from the obligor,  
 principal, and by virtue of the provisions of said Act No. 27, Public Acts of 1950, Extra Session, as amended, then this obligation shall  
 be void, otherwise it is to remain in full force and effect.

This bond shall be effective \_\_\_\_\_, \_\_\_\_\_ and shall be in force for the term ending June 30,  
 \_\_\_\_\_. This bond may be continued in force for an additional term or terms by suitable continuation certificates executed by the  
 surety with the approval of the Commissioner, pursuant to such regulations as may hereafter be provided.

\_\_\_\_\_(L.S.)

\_\_\_\_\_(L.S.)  
 Principal

IN PRESENCE OF:

\_\_\_\_\_(L.S.)

\_\_\_\_\_(L.S.)  
 Surety